

AMENDED IN ASSEMBLY MARCH 29, 2011
AMENDED IN ASSEMBLY FEBRUARY 16, 2011
CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 205

Introduced by Assembly Member Hagman
*(Coauthors: Assembly Members Donnelly, Jeffries, Knight, Mansoor,
Miller, and Wagner)*
(Coauthor: Senator Harman)

January 27, 2011

An act to add Section 17053.44 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 205, as amended, Hagman. Income taxes: ~~New Car Buyer Incentive Act: credit: vehicle registration.~~ *credit: vehicle registration payment fees.*

The Personal Income Tax Law authorizes various credits against the taxes imposed by that law.

This bill would, for taxable years beginning on or after January 1, 2010 2011, authorize a credit under the Personal Income Tax Law for qualified costs, as defined, paid by a taxpayer for ~~the specified~~ registration *payment fees* of a qualified vehicle, as provided.

~~The bill would make a legislative finding and declaration regarding the public purpose served by the bill.~~

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. This act shall be ~~known, and may be cited, known~~
2 *and may be cited* as the ~~New Car Buyer Vehicle~~ Incentive Act.

3 SEC. 2. Section 17053.44 is added to the Revenue and Taxation
4 Code, to read:

5 17053.44. (a) For each taxable year beginning on or after
6 January 1, ~~2010~~ 2011, there shall be allowed as a credit against
7 the “net tax,” as defined in Section 17039, an amount equal to the
8 qualified costs paid by a taxpayer for ~~the registration of a qualified~~
9 vehicle.

10 (b) For purposes of this section:

11 ~~(1) “Qualified costs” means the registration fees for a qualified~~
12 ~~vehicle pursuant to Article 2 (commencing with Section 9250) of~~
13 ~~Chapter 6 of Division 3 of the Vehicle Code, paid by a qualified~~
14 ~~taxpayer during the taxable year.~~

15 (1) “Qualified costs” means the fees, paid by a taxpayer during
16 the taxable year, assessed on vehicles by the Department of Motor
17 Vehicles as part of the vehicle registration process, including, but
18 not limited to, the following:

19 (A) Any fee set forth in Article 2 (commencing with Section
20 9250) of Chapter 6 of Division 3 of the Vehicle Code, including,
21 but not limited to, the registration fee, the California Highway
22 Patrol fee, and local county transportation fees.

23 (B) The vehicle license fee, as set forth in Sections 10751 and
24 10752.2 of this code.

25 (C) The motorcycle safety fee, as set forth in Section 2935 of
26 the Vehicle Code.

27 (D) The unladen weight fee, as set forth in Section 9400 of the
28 Vehicle Code, and the weight fee, weight sticker fee, and cargo
29 theft interdiction fee set forth in Section 9400.1 of the Vehicle
30 Code.

31 (E) The smog abatement fee, as set forth in Sections 44060 and
32 44060.5 of the Health and Safety Code.

33 (F) The personalized license plate fees, special interest license
34 plate fees, and all other fees set forth in Sections 5000 to 5160,
35 inclusive, of the Vehicle Code.

36 (G) The county fees imposed by Section 65089.20 of the
37 Government Code.

1 (H) *The air pollution control district fees imposed by Section*
2 *40612 and 40701.5 of the Health and Safety Code.*

3 (2) “Qualified vehicle” means a vehicle for which a taxpayer
4 ~~has paid qualified costs previous to the purchase by the taxpayer~~
5 ~~of a new vehicle for which the taxpayer has also paid registration~~
6 ~~fees pursuant to Article 2 (commencing with Section 9250) of~~
7 ~~Chapter 6 of Division 3 of the Vehicle Code during the same~~
8 ~~calendar year and that is either sold or traded in to purchase the~~
9 ~~new vehicle.~~ *has paid qualified costs.*

10 (c) *If the credit allowed by this section exceeds the “net tax,”*
11 *the excess may be carried over to reduce the “net tax” in the*
12 *following taxable year, and the two succeeding years, until the*
13 *credit has been exhausted.*

14 (d) *The credit provided by this section shall be in lieu of any*
15 *deduction under this part to which the taxpayer may otherwise be*
16 *entitled.*

17 ~~SEC. 3. The Legislature finds and declares that the credit~~
18 ~~allowed to taxpayers by this act with respect to the 2010 taxable~~
19 ~~year serves a public purpose of encouraging the purchase of more~~
20 ~~energy efficient and economical vehicles to benefit the environment~~
21 ~~of all Californians and does not constitute a gift of public funds~~
22 ~~within the meaning of Section 6 of Article XVI of the California~~
23 ~~Constitution.~~

24 ~~SEC. 4.~~

25 ~~SEC. 3.~~ This act provides for a tax levy within the meaning of
26 Article IV of the Constitution and shall go into immediate effect.